

**Emergency Manager of the City of Ecorse
(Directive No. 56)**

**ORDER OF THE EMERGENCY MANAGER OF THE CITY
OF ECORSE, COUNTY OF WAYNE, STATE OF MICHIGAN, APPROVING
FISCAL YEAR 2010/2011 BUDGET AMENDMENTS PRESENTED FOR
CONSIDERATION ON June 20, 2011**

WHEREAS, under the Local Government Fiscal Responsibility Act, Act 4, Public Acts of Michigan, 2011, as amended ("Act 4") and a Contract (the "Contract") between the State of Michigan and Joyce A. Parker, dated October 30, 2009, Joyce A. Parker has been appointed as the Emergency Manager (the "EM") of the City of Ecorse, County of Wayne, Michigan (the "City") and charged with the power and authority to take all actions necessary to develop and implement financial and operational plans to regulate expenditures, investments and the provision of services for the City of Ecorse in conformity with and using the powers set forth in Act 4; and

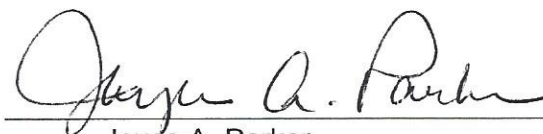
WHEREAS, pursuant to Act 4 and the Contract, the EM, as the Chief Administrative Officer of the City, is authorized to, among other things, make, approve, or disapprove any appropriation, contract, expenditure, or loan for the City, as well as, exercise the authority and responsibilities of the chief administrative officer and governing body concerning the adoption, amendment, and enforcement of ordinances or resolutions affecting the city as she may deem necessary, within her sole discretion, to accomplish the purposes of Act 4; and

WHEREAS, the EM has determined it is the best financial interest of the City and necessary to accomplish the purposes of Act 4 and the financial plan of the EM, to approve fiscal year 2010/2011 budget amendment presented for consideration on June 30, 2011.

NOW THEREFORE, BE IT ORDERED BY THE EMERGENCY MANAGER OF THE CITY OF ECORSE, PURSUANT TO ACT 4 AND THE CONTRACT, THAT:

1. The budget Amendment presented June 20, 2011 for fiscal year 2010/2011 is approved as presented.
2. Repeal. All orders of the EM, resolutions of the City Council of the City, and parts of resolutions or orders in conflict with this Order are hereby repealed to the extent of such conflict.

SO ORDERED this 20th day of June.



Joyce A. Parker
Emergency Manager
City of Ecorse

CITY OF ECORSE, MICHIGAN
Fiscal Year 2010/2011 BUDGET AMENDMENTS
Presented for Consideration on June 20, 2011

Basis for Amendments: Analysis of accounts performed in conjunction with deficit elimination plan.

	2010/2011 Adopted Budget	Proposed Amendments	2010/2011 Amended Budget	TM
REVENUES				
Property taxes - Operating	\$ 6,725,334	\$ (34,000)	\$ 6,701,334	PLOT was less than budgeted. Total budgeted was \$40,000, although the City's portion was \$6000
Property taxes - Judgment levy	2,247,800	-	2,247,800.00	
Grants	367,200	-	367,200.00	
Revenue sharing	1,591,680	(250,000)	1,341,680.00	Decreases expected per latest SSR updates
Licenses and permits	267,950	(10,200)	257,750.00	
Fines and forfeitures	590,000	-	590,000.00	
Charges for services	376,916	22,200	399,116.00	
Interest income	5,000	-	5,000.00	
Administrative charges	353,500	-	353,500.00	
Other	269,674	132,000	401,674.00	Increase due to Walcom scrap sales, retiree drug subsidy revenue, and early retiree reinsurance program subsidy
Insurance recoveries	2,217,500	-	2,217,500.00	
Proceeds from bond issuance	-	9,495,000.00	9,495,000.00	Agrees to total revenue per bond documents
Proceeds from emergency loan	2,000,000	-	2,000,000.00	
Proceeds from the sale of assets	18,500	-	18,500.00	
TOTAL REVENUES	17,041,054	9,355,000	26,396,054	

EXPENDITURES				
Legislative	\$ 48,712	\$ (3,000)	\$ 45,712	Decrease in council pay beginning in April
District Court	495,546	(3,000)	492,546	Savings in MERS.
Executive	159,948	22,500	182,448	Lobbyist and publicist related to the bond issuance was not originally budgeted
Elections	35,000	9,500	44,500	Contracted services for election day workers was overbudget
Assessor	106,006	25,000	131,006	[1]
City Clerk	71,375	23,250	94,625	[2]
Controller	264,929	16,600	281,529	Benefits coordinator paid time off for salaries and MERS was not originally budgeted for.
Audit	42,750	7,100	49,850	Forensic audit and actuarial fee needed for audit was not originally budgeted
Treasurer	144,135	20,250	164,385	Treasurer paid time off for salaries and MERS was not originally budgeted for.
Building Maintenance	457,800	(52,600)	405,200	Savings in building lights.
Attorney	3,203,222	2,260,000	5,463,222	Settlements included in the bond issuance are included here as well as an est. for additional attorney fees
Personnel	84,284	13,500	97,784	Contracted services were not originally budgeted (background checks and RDS service fees)
General government	958,400	2,500	960,900	Computer expenses (Charlies) were not originally budgeted
Police department	2,482,774	177,000	2,659,774	Estimates included for sick/vaca payout. Additional MERS budget needed for additional wages & OT
Fire department	2,108,319	304,000	2,412,328	Estimates included for sick/vaca payout. Additional MERS budget needed for additional wages & OT
Inspections	212,052	(15,450)	196,602	[2]
Department of Public Works	464,573	-	464,573	
Engineering	31,000	-	31,000	
Street lighting	410,000	(20,000)	390,000	
Community Planning	183,500	33,630	217,130	Comm Divp director was not originally budgeted. To be conservative, conclude to budget
Senior center	57,564	-	57,564	
Recreation	15,765	-	15,765	
Maria	25,000	5,000	30,000	
Refuse	1,512,500	101,500	1,614,000	[3]
Debt Service	1,456,800	245,308	1,702,108	[4]
Transfers to other funds	125,655	35,050	160,705	Additional subsidy needed for Rubbish and Library
Transfer to debt service fund	451,328	-	451,328	
TOTAL EXPENDITURES	15,608,947	3,208,238	18,817,185	
REVENUE OVER (UNDER) EXPENDITURES	1,432,107	6,146,762	7,578,869	

[1] The Assessor has made many attempts to contact the County to estimate the City's final assessing estimate for the fiscal year, however, the County was unresponsive. Concluded to increase the budget to ensure the City does not end up overbudget due to late arriving invoices.

[2] The third quarter budget amendment moved a clerk from the Clerk's office to the Inspection's dept. During the last quarter, the clerk was moved back into the Clerk's office. An amendment is needed to move wages and fringes back into the Clerk's office.

[3] \$20,000 of death benefits not originally budgeted. In addition, revenue from retiree drug subsidy was originally budgeted to offset expenditure, however, proper accounting rules state it must be recorded as a revenue. See revenue budget

[4] Bond issuance costs (\$625,000) and discount on bond issuance (\$180,000) were not originally budgeted. However, concluded to decrease total expense to be remitted to MERS for P&F pen by \$500,000

P&M had originally budgeted to remit \$1.2 million to MERS for P&F pension

CITY OF ECORSE, MICHIGAN
Fiscal Year 2010/2011 BUDGET AMENDMENTS
Presented for Consideration on June 20, 2011

		2010/2011 Adopted Budget	Proposed Amendments	2010/2011 Amended Budget
202-000-580.000 STATE REVENUES				
202-000-580.000	STATE REVENUES	390,000	-	390,000
202-000-665.000	INTEREST INCOME	500	-	500
	TOTAL REVENUES	390,500	-	390,500
202-000-665.000 GENERAL				
202-000-665.000	GENERAL	39,000	800	39,800
202-000-665.000	ROUTINE MAINTENANCE	184,050	(28,350)	155,700
202-000-665.000	OPERATING TRANSFERS OUT	167,450	27,550	195,000
	TOTAL EXPENDITURES	390,500	-	390,500
	NET OF REVENUES & EXPENDITURES	-	-	-
203-000-580.000 STATE REVENUES				
203-000-580.000	STATE REVENUES	145,000	-	145,000
203-000-665.000	INTEREST INCOME	500	-	500
203-000-699.000	OPERATING TRANSFERS IN	167,450	27,550	195,000
Net - Dept 000	TOTAL REVENUES	312,950	27,550	340,500
203-000-665.000 GENERAL				
Net - Dept 299-GENERAL		14,500	-	14,500
Net - Dept 463-ROUTINE MAINTENANCE		169,223	-	169,223
	TOTAL EXPENDITURES	183,723	-	183,723
	NET OF REVENUES & EXPENDITURES	129,227	27,550	156,777
226-000-402.002 PROPERTY TAXES - RUBBISH				
226-000-402.002	PROPERTY TAXES - RUBBISH	614,000	-	614,000
226-000-412.000	PROPERTY TAXES - CHRGBACK	-	-	-
226-000-665.000	INTEREST INCOME	-	-	-
226-000-699.101	TRANSFER IN FROM GEN FUND	66,000	15,000	81,000
	TOTAL REVENUES	680,000	15,000	695,000
	TOTAL EXPENDITURES	680,000	15,000	695,000
	NET OF REVENUES & EXPENDITURES	-	-	-
264-000-627.000 Forfeiture Revenue				
264-000-627.000	Forfeiture Revenue	10,000	13,000	23,000
264-000-665.000	INTEREST INCOME	-	-	-
264-000-955.000	MISCELLANEOUS EXPENSES	10,000	(10,000)	-
	TOTAL REVENUES	-	3,000	23,000
Net - Dept 301-POLICE	TOTAL EXPENDITURES	-	10,000	10,000
	NET OF REVENUES & EXPENDITURES	-	(7,000)	13,000

		2010/2011 Adopted Budget	Proposed Amendments	2010/2011 Amended Budget	
Dept 000					
	TOTAL REVENUES	157,600	21,550	179,150	[1]
		157,600	21,550	179,150	
	NET OF REVENUES & EXPENDITURES	-	-	-	

Increase in transfer from General Fund needed due to staff salaries not originally being budgeted and a conservative est increase in contracted services from WC

Dept 299-GENERAL				
286-299-801.000	PROFESSIONAL SERVICES	-	2,000	2,000
286-299-861.000	CONTRACTED SERVICES	-	1,000	1,000
		-	3,000	3,000
	TOTAL REVENUES	-	-	-
	TOTAL EXPENDITURES	-	(3,000)	(3,000)
	NET OF REVENUES & EXPENDITURES	-	(3,000)	(3,000)

Dept 000				
	TOTAL REVENUES	5,806,000	-	5,806,000
Net - Dept 536-WATER &	TOTAL EXPENDITURES	5,702,887	12,000	5,714,887
	NET OF REVENUES & EXPENDITURES	103,113	(12,000)	91,113

Legal settlement with K Contracting not originally budgeted.